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SUBJECT: RENEWABLE ENERGY CONFERENCE BRINGS US-SLOVENIAN EXPERTS TOGETHER

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11. (U) Summary. With support from the Business Facilitation Incentive Fund and the International Information Programs Division, the Embassy organized a one-day Clean Energy Innovation Conference on June 26 that emphasized the importance of alternative energy as a strategy for economic development, environmental stewardship and energy security. The Government of Slovenia has stated that energy supply and climate change will be key issues during its EU presidency in 2008. The conference brought together American and Slovenian scientists, business people, government officials, and NGO representatives to discuss emerging trends in alternative energy and consider areas of mutual business interest. In addition to U.S. government and private business speakers, Slovenian government officials, environmental NGOs and venture capital investors participated in the conference, which has already led to increased business contacts between our two countries. End Summary.

U.S.- SLOVENIAN ENERGY OPPORTUNITIES

12. (U) Using funds from BFIF and IIP, the Embassy brought together American and Slovenian experts to discuss new innovations and business opportunities in the alternative energy sector. Ambassador Robertson opened the Embassy-organized Clean Energy Innovation Conference June 28 and stressed the importance of alternative energy as a strategy for economic development, environmental stewardship and energy security. He also highlighted U.S. initiatives in commercializing alternative energy technology and encouraged closer cooperation between U.S. and Slovenian companies.

13. (U) The keynote speakers, Mark Ginsberg from the Department of Energy's Office of Energy Efficiency and Renewable Energy, Dr. Rick Schwerdtfeger and Frank Svet from Ohio-based company EMTEC, all highlighted U.S. leadership in developing alternative energy technologies such as photovoltaic solar cells, wind turbines, and hydrogen fuel cells. Ginsberg spoke about the positive impact the U.S. Government's Alternative Energy Initiative, which provides a 22 percent increase in funding for clean energy technology research, is having in the U.S. and the cutting edge research the National Renewable Energy Laboratory is conducting to bring new energy technologies to market. Schwerdtfeger and Frank Svet presented research on viable alternative energy sources for Slovenia. Svet identified areas in which American and Slovenian businesses could cooperate at various levels throughout the alternative energy supply chain. All

the American speakers stressed U.S. commitment to developing alternative energy technologies through private-public projects.

SLOVENIAN ENERGY PRIORITIES

¶4. (SBU) The director of the Slovenian Ministry of the Environment's Office of Renewable Energy, Hinko Solinc, explained that Slovenia plans to expand its use of hydropower, biomass and solar energy in an attempt to reach the proposed EU goal of 20 percent of energy coming from renewable sources by 2020. Currently 11.7 percent of Slovenia's energy is from renewable sources, mainly from hydropower, which is higher than the EU average of 5.6 percent. Solinc explained that one reason that the GoS was very eager to participate in the conference is that it is concerned that Slovenia will not be able to reach the EU's 20 percent target unless new technologies are utilized. Slovenia's sole nuclear plant, near the town of Krsko, provides about 30 percent of the nation's electricity. Slovenia would like to build another nuclear plant but it is unclear whether the European Commission would support nuclear energy as a clean energy source. Djordje Zebeljan, director of research and development at Slovenia's state-owned energy consortium Holdings Slovenske Elektrarne, focused on opportunities for solar, biomass and hydrogen technologies, since these technologies have yet to gain a foothold in Slovenia. Wind turbines, although popular with the government, are unpopular with environmentalists in Slovenia because of the size, noise and effect on birdlife.

COMMERCIAL OUTCOMES

¶5. (U) The conference provided a forum for U.S. and Slovenian business people to cultivate import/export opportunities as well as allow the Embassy to advance U.S. goals for addressing energy development. All participants particularly welcomed involvement of the venture capital panelists from Poteza and Istrabenz Gorenje. The participation of the business people brought a working-level element to the topic for the first time in Slovenia. The conference also received positive media attention. Ginsberg gave an interview to Delo, Slovenia's largest daily newspaper with a readership of over 200,000 people. Svet gave interviews to TV Slovenia and energy journal Energetika, which ran in Slovenia, Bulgaria and the UK.

¶6. (U) The conference has already produced several promising commercial links between Slovenian and U.S. companies. Svet said that his company EMTEC established several strong connections between Slovenian companies and Ohio-based companies and research institutions. Slovenian solar energy company Soncna Energija made contact with an American company that needs a parabolic capacitor, a technology Energija works on. An Ohio-based solar cell producer contacted Slovenia component producer Bisol. An Ohio fuel cell company is negotiating with the Institute of Chemistry regarding cooperatively developing next generation fuel cells. EMTEC will work with The University of Ljubljana's Faculty of Engineering to find an American business person to speak at an international energy conference in 2008. The Jozef Stefan Institute and several Ohio universities plan to establish a postgraduate student exchange program.

NEXT STEPS

¶7. (U) In conversations with conference participants and other business contacts, scientists and government officials, all agreed that Slovenia lacks a clear policy of intellectual property rights and licensing agreements -- a necessary element to commercializing innovative alternative energy technologies. Participants in the conference expressed a strong desire to discuss ways to establish equitable agreements with businesses, governments and research

institutions to protect intellectual property rights. They suggested that a U.S. expert would be very helpful since Slovenia does not have any local successes in this area and the U.S. has been successfully working on promoting innovation through strong IPR and licensing agreements for several decades. The Slovenian Intellectual Property Office, which has sent three senior officials to training programs with the U.S. Patent and Trademark Office, is eager to work with post to coordinate a roundtable to discuss developing an IPR framework that stimulates innovation and entrepreneurship. The Embassy thanks BFIF and IIP for supporting our conference and helping us explore business opportunities in the alternative energy sector in Slovenia.

ROBERTSON